Hospice Funding in England (Nov 2020-March 2021) – Q&As

February 2021

1. What the funding is for

What is the funding for?

This funding agreement is to secure and increase utilised capacity to support the national NHS response to COVID-19 and winter pressures in the form of hospice inpatient beds, hospice at home provision and community contacts. Consequently, this funding does not cover the entirety or breadth of hospice activity.

How is this funding agreement different to the one that ran between April and July 2020?

This is a variation of the previous hospice grant agreement (April-July 2020) with amended terms and conditions and will provide up to £125m grant funding to CQC registered charitable hospices for November 2020 to March 2021, to secure and increase NHS capacity. Key differences are:

- The grant consists of a minimum of £13m per month divided into individual allocations per hospice to secure utilised capacity, flexing up to a possible £25m depending on the amount of capacity utilised during the previous month.
- Payments will be made in arrears on a monthly basis.
- The unit costs used will be £165 per bed and £5.50 per 20-minute community contact for capacity utilised. It is not linked to fundraising, with no associated clawback.

Is the grant funding really about additional capacity or is it about fall in retail income and fundraising/donations?

As with the first grant agreement between April and July 2020, the grant funding is a national response to secure and increase capacity to support rapid discharge of non-COVID-19 patients from secondary care and to build capacity in the community to support the avoidance, where possible, of admission of non-COVID-19 patients to hospital.

Is this grant solely for non-COVID-19 capacity?

Yes, although it cannot be guaranteed that a patient will not have or develop COVID-19 as a result of prior infection before transfer to the hospice service. However, all hospices should now have access to lateral flow testing for patients being admitted from the community.

Some hospices provide more than palliative care. Is this funding just in relation to palliative care services or all services commissioned with hospices?

The grant agreement is for the provision of occupied capacity to support non-COVID-19 patients. Patients will have a variety of needs that do not necessarily relate to business as usual. The funded occupied capacity is for inpatient beds, hospice at home beds and community contacts, other services are not eligible for funding.

What is the view about funding for hospices post-COVID-19 and levels of funding from NHS compared with pre-COVID-19 levels as a number of hospices are struggling financially?

The current grant funding agreement responds to a specific need in specific circumstances. No commitment to future funding is implied or anticipated by the current agreement which will conclude on 31 March 2021.

If hospices are offering capacity for COVID-19 patients (therefore limiting what they can offer for non-COVID) how will that be considered?

The grant agreement eligibility criteria are clear, only capacity that is utilised under the agreement will be funded.

Can hospices have a copy of the terms of the agreement?

Yes – we will send a grant agreement to every hospice in receipt of a grant as soon as we have an agreed contract with NHS England and NHS Improvement.

2. Eligibility

Who is eligible for funding under the scheme?

All adult and children and young people's hospices in England are eligible under the scheme where they meet the following definition:

- The hospice is registered with CQC as a hospice
- Hospices that provide end of life care as their primary objective and fall under the definition of a charitable hospice set out in the Finance Act 2015 or
- Are recipients of the NHS England and NHS Improvement Children's Hospice Grant or
- Together for Short Lives' voluntary sector organisation members that are CQC registered and provide essential care and support to life limited children and/or young people where such care would otherwise fall under the NHS at a higher cost.

To be clear - when we talk about hospices, this includes children's? Is there a list of who is covered?

The grant agreement applies to all charitable CQC registered adult hospices and children and young people's hospices in England. NHS England and NHS Improvement together with Hospice UK manage and maintain the list of hospices funded.

Why are NHS hospices not covered under this grant?

NHS hospices provide their entire capacity already to the NHS through their associated NHS acute trust. The grant agreement is for the funding of additional capacity for the NHS.

Is there a list of hospices being supported and how much each has got?

A list exists and is managed jointly by NHS England and NHS Improvement and Hospice UK.

3. Calculating the allocations

How will the grants be calculated?

A minimum payment of £13m per month will secure hospice utilised capacity, distributed by means of individual hospice capacity allocations calculated from capacity tracker and CQC data. This will flex to up to a possible £25m per month for additional utilised capacity with hospices expected to provide up to 3,500 occupied beds per day and up to 46,500 community contacts undertaken per day. For the purposes of this grant, unit costs of £165 per occupied bed and £5.50 per 20 minutes community contact undertaken will be applied.

How are you going to ensure equity at individual hospice/CCG level, as this seems to be within the control of Hospice UK?

NHS England and NHS Improvement have calculated the individual hospice allocations to secure utilised capacity. The additional payment for capacity utilised will be applied according to evidence supplied via daily hospice submissions to the National Capacity Tracker, tracked and managed by NHS England and NHS Improvement.

Will the allocation my hospice receives match our maximum capacity recorded with CQC?

No, and there are several reasons for this:

1. NHS England and NHS Improvement are funding utilised capacity not, as was the case with the first grant agreement (April-July), available capacity. NHS England and NHS Improvement are funding 3,500 occupied beds per day (in-patient units and hospice at home services) and 46,500 community contacts undertaken per day, which represents 26% of currently stated total capacity.
2. 165 organisations representing 203 hospices are eligible under the scheme. Allocations have been made fairly using size of organisation and occupation data already held by NHS England and NHS Improvement with the intention of ensuring all hospices can meet the set allocations for bed and community activity.
3. In order to avoid double paying for locally commissioned (CCG funded) services an average 33% of activity is deducted from all adult beds (in-patient and hospice at home).

If a hospice has to close beds / reduce community services / temporarily close due to a COVID-19 outbreak, this will impact on their ability to provide the additional capacity. How will this affect payment?

Temporary closures due to COVID-19 infections amongst staff or inpatient unit patients will continue to be eligible for their individual allocation of the up to £13m to secure capacity, as well as receiving payment for any capacity utilised prior to and after the closure period.

In the event of an outbreak, hospices will notify NHSE directly via the england.covid-eolc@nhs.net address.

How should we count hospice at home beds?

NHS England and Improvement recognise that there are many variants to hospice at home models. The way a hospice at home bed should be counted is where a CNS led team is providing care in a person's home where the CNS is making a visit. Regardless of the number of times the CNS and team visit each day that patient should only be counted once each day (1 hospice at home visit = 30 community contacts).

How should hospice at home beds be entered on the National Capacity Tracker if the hospice has not previously registered as a hospice at home provider with CQC?

If a hospice does not have a registered hospice at home service, the National Capacity Tracker will not provide a Hospice at Home tab for data entry. In this situation, for the duration of the grant period only, we recommend the following:

- Advise Hospice UK and NHS England and NHS Improvement that you are amending inpatient bed numbers to reflect hospice at home provision.
- Add the number of hospice at home patients to the in-patient unit numbers. This will be possible despite any warning message the system may give when amending the inpatient figures.
- If the hospice then has to close its in-patient unit due to a Covid outbreak, notify as normal and record the number of beds closed, continuing to enter the hospice at home beds unless they are also affected by the outbreak.

How should we count Community Contacts?

Hospices should only count community contacts that are of 20 minutes duration or longer. Community contacts can be face to face or virtual.

Is there a certain level of reserve expectation for hospices prior to accessing a grant? i.e. if a hospice has a certain level of reserves will they be restricted from accessing the grant on the basis of utilising reserves?

There is no clause specifying a certain level of reserves.

Please clarify what you mean by double funded criteria?

Double payments refer to payments made locally for the same services being funded by the grant. NHS England and NHS Improvement have made an adjustment for this by deducting 33% of activity from adult beds (in-patient and hospice at home). This adjustment does not affect community contacts or children and young people's care and services as these are generally not funded by CCGs with the same consistency as bed-based activity.

Utilisation of capacity may be restricted if hospices are unwilling to accept patients due to fears they are COVID positive - if patients are not being accepted how will this be addressed?

This is a matter for local clinical judgement. The grant arrangement is for utilised capacity. It is implicit that such utilisation will encompass clinical safety norms.

Is the allocation for 7 days? What happens if a hospice only operates 5 days per week?

In general allocations are based on 7 days a week and a 30 day month. Allocations are not calculated daily but accumulated over the course of a month as this allows for variations in utilised capacity. A small number of organisations operate 5 days per week. For these organisations, their allocation will be based on actual days worked, for utilised capacity, and therefore they will not see further deduction made for weekend days missed.

Can organisations with multiple sites flex the individual location allocations?

The allocations are for each hospice location. Flexing across locations for organisations with more than one site will be considered in exceptional circumstances but will not be applied as a rule.

4. Payments

How have the payments to hospices been calculated?

Calculations have been undertaken by NHS England and NHS Improvement based on stated capacity, adjusted to reflect previous performance and utilisation figures (evidenced via the National Capacity Tracker). A proportional allocation of an additional 3,500 occupied beds and 46,500 community contacts has been applied to arrive at individual hospice allocations.

For hospice organisations with multiple sites the data must be added for each site individually as the allocation is calculated at the individual hospice level and not organisation level. Any failure to submit data by any part of the organisation will result in that part of the allocation not being met and therefore not paid.

For example, if a hospice has a monthly allocation of 80 beds for Ongoing Support (part of the up to £13m) and 70 beds for Covid-19 support (part of the up to £12m monthly flex available) then:

- Where total occupied beds for the month = 75, the hospice would be paid for 75 beds under the ongoing Support
- Where total occupied beds for the month = 95, the hospice would be paid for 80 under the ongoing support and 15 beds under the Covid-19 support
- Where total occupied beds for the month = 160, the hospice would be paid for 80 beds under the (£13m) ongoing support and 70 beds would be paid under the (£12m) Covid-19 support, 10 beds would be over the capped allocations and therefore would not be funded.

The same methodology is applied to community contacts.

A variation to these rules is being developed to cover November, hospices will be notified separately of their eligibility and allocated funding for this month.

When will payments be paid?

Payments will be backdated to 1 November 2020 and conclude on 31 March 2021. Payments will be made in arrears by NHS England and NHS Improvement to Hospice UK to be paid within two banking days of receipt, to hospices named on the allocations list. NHS England and NHS Improvement normally transfer funds on the closest banking day to 15th of each month.

What is the guaranteed minimum payment and what will a hospice be paid if it records no activity?

The minimum guaranteed payment is the value of the allocation against the (£13m) ongoing support which will be paid even if no activity is recorded as a result of a Covid-19 outbreak. If a hospice is closed or records no activity for any other reason it will not receive a payment. In all other circumstance the guaranteed minimum payment will be equal to the level of occupied beds and community contacts made up to the capped value of the allocation.

5. Reporting requirements

What reporting requirements are there?

Hospices will be required to complete the National Capacity Tracker on a daily basis, including weekends and bank holidays. Failure to do so will affect funding.

What information is required on capacity?

On a daily basis, hospices need to report:

- hospice bed occupancy

- hospice at home bed occupancy (defined as bed-based home care delivered by a specialist multi-disciplinary team (MDT) led by a Clinical Nurse Specialist (CNS) for complex condition)
- community contacts (defined as care delivered in community by specialist MDT team).

What financial information do hospices need to supply?

On a monthly basis, hospices need to report the following:

1. Statutory Income, split between three sub-categories:
    - Income received under this national grant scheme from 1 April to date
    - Additional (i.e., non-standard) local income negotiated to support existing activities as a result of the COVID crisis from 1 April to date
    - All other statutory income (including recurring CCG funding, one off CCD funding for activities not covered by this grant etc) from 1 April to date.
2. Charitable income (including retail and lottery)
3. Free reserves at the date of reporting
4. Other reserves including restricted, endowed, designated and unrestricted funds represented by tangible fixed assets at the date of reporting.

Hospices are required to submit a copy of their management accounts for the latest available financial year and financial accounts as detailed for the period November 2020 to April 2021.

What are the reporting deadlines?

Hospices should complete the National Capacity Tracker daily by 10pm.

Hospices should complete Financial reporting monthly by the 20th of the month or nearest working day before the 20th.

Who do we contact if we have issues with the National Capacity Tracker?

Please email grants@hospiceuk.org with full details of your issue and we will work to find a solution.

6. Clinical commissioning groups

How will the arrangement impact on payments that CCGs are already making to hospices?

NHS England and NHS Improvement have entered into a grant agreement with Hospice UK for the purpose of securing and increasing capacity in adult and children and young people's hospices in England including organisations not ordinarily members of Hospice UK. There is no impact on payments that CCGs are already making to hospices, such payments should continue.

Are CCGs allowed / encouraged to make local agreements?

Additional local agreements are not only expected but encouraged, recognising that hospices are part of local healthcare systems.

Can CCGs use this hospice capacity for COVID-positive patients to die?

The capacity is for non-COVID patients. Should CCGs through local resilience plans choose to take over entire hospices as COVID-19 Response Centres the hospice would need to consider its eligibility for grant funding in discussion with Hospice UK.

What specific actions are required from CCG CFOs to support this national funding offer?

CCG CFOs are required to provide clear information on local funding to hospices via non-ISFE reporting, clearly identifying business as usual and COVID-19 response funding.

What happens to the calculation where CCGs pay quarterly, bi-annually or annually? What will the impact be?

CCG contracts and payments to hospices are unaffected by the grant and should continue as negotiated and agreed locally. CCGs are asked to report funding and payment arrangements through non-ISFE monthly reporting.

What is the CCG ask in this? What are CCGs being asked to do differently other than a return on non ISFE?

CCGs are being asked to continue to engage with their local hospices to commission business as usual, and where required, contract for additional COVID-19 response services. For the purposes of the grant, CCGs are requested to complete a return on non-ISFE reporting outlining contract details and payments to hospices.

What happens if the CCG has made payments in advance?

CCG payments are unaffected by the grant agreement and should continue to be made under the local contractual arrangements established.

Will CCGs see how much has gone to individual hospices in their patch, given that we may already be in discussion about funding longer term?

Longer term funding arrangements are not impacted by the national funding agreement that responds to a specific need in specific circumstances and concludes at the end of March 2021. Hospices may choose to share their national funding allocations with CCGs but they do not have to do so, and the information will not be shared by NHS England and NHS Improvement or Hospice UK.

7. Hospice operational issues

If hospices were to claim grants under any government (national or local) retail business support scheme will this be netted off the grant from HM Treasury?

No. Hospices are encouraged to make use of this additional funding to maintain their retail footprint so fundraising can recover after the crisis.

If hospices are unable to offer additional capacity, will they still receive funding?

All hospices will receive their individual allocation of the up to £13m available to secure ongoing support. In order to be eligible to receive the additional funding for occupied capacity, hospices must meet the terms of the agreement and provide services that will contribute to the full national target of up to 3,500 occupied beds and up to 46,500 community contacts completed. Hospices that have closed down for the duration of the grant funding period will not receive funding.

What happens if hospices are being paid locally to support their local Nightingale Hospital?

This funding should continue and will not affect any grant payment, as long as this does not affect the hospices' ability to maintain occupancy and patient support levels required to confirm funding.

What happens if hospices are commissioned to provide other services such as training or education?

This funding should continue and will not affect the grant funding.